

## **Findings**

### Retirement

- In total, actual retirements were less than expected retirements for both males and females not eligible for Retirement Plus and for both males and females with less than 20 years of service who are eligible for Retirement Plus. Actual retirements were less than expected retirements for most individual ages.
- In total, actual retirements were somewhat greater than expected for both males and females with 20-30 years of service and eligible for Retirement Plus.
- In total, actual retirements were about as assumed for both males and females with over 30 years of service and eligible for Retirement Plus.
- For both males and females, the majority of exposed lives eligible for retirement were in the over 20 years of service category. Therefore, we spent more time developing these assumptions than those for less than 20 years of service.
- For females not in Retirement Plus, there are almost 500 exposure years for teachers age 70 and over who have continued working (a teacher currently age 73 would contribute 4 such exposure years- one each for age 70, 71, 72, and 73). However, since this cohort is such a small percentage of the total population, we will continue to use an assumption of 100% retirement at age 70.

### Disability

- There is often a lag between the date of injury of a member and the date of retirement. Our software cannot recognize this lag so we monitor this issue and make adjustments as necessary.
- In total, actual number of disability retirements slightly less than expected.

### Withdrawal

- Measuring withdrawal (termination) rates continues to be a challenge. Therefore, we determine our rates for this assumption to be more conservative than retirement and disability rates.
- For males, actual terminations were greater than expected for most years of service.
- For females, actual terminations were less than expected for most years of service.

## **Findings (continued)**

### *Salary Increases*

- Like withdrawal rates, accurately measuring salary increases continues to be a challenge. Negotiated contracts vary in amount and timing from town to town which makes it difficult to determine overall rates for all teachers. In addition, the reliability of a portion of the salary experience analysis is questionable due to adjustments we have made to the data for a significant number of members in performing our annual valuations. Therefore, we determine our salary assumption to be more conservative than retirement and disability rates.
- Salary increases for continuing members were less than assumed over the 6-year period and in each individual year except 2008. However, this was expected due to the economic climate since 2008.
- Results based on service continue to show a more consistent pattern than age based results. We believe the service based assumption is more indicative of expected experience.

### *Post-Retirement Mortality*

- Overall, mortality was significantly less than assumed over the 6-year period for both males and females. This was also true in each individual year. Due to this significant difference, we reviewed our work from our prior experience study which covered 2000-2005. We noticed that for females, in total, mortality was greater than assumed from 2000-2005 but this trend began to diminish in the later years and in 2004 and 2005 mortality was less than assumed. However, the 2004 and 2005 results did not significantly impact the total for the 6-year period ending in 2005 and, overall for that period, mortality was greater than assumed. For the 2000-2005 period for males, mortality was less than expected in all years. However, there were some inconsistencies in the 2000-2005 results with respect to both gender and data. We believed that data issues contributed to these results and we maintained the assumptions adopted in 2000 which already included a projection for mortality improvement to 2010. In retrospect, a more conservative assumption would have been appropriate in our prior study due to the uncertainty with regard to actual experience and the discrepancy between male and female results.
- We noted in our prior study that data issues had seemed to improve by 2006. We found this trend continued to hold for data in all years of this study.
- Disabled mortality for males was about as expected. Disabled mortality for females was somewhat greater than expected. Gender allocation and the relatively small number of exposures make these results difficult to assess.